

Pay Package is a Major Contemporary Issue in Retention of Faculty in Technical Institutions - an Empirical Study of North Karnataka

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Abstract: Faculty is a rare commodity in today's competitive education field. The mushroomed growth of management institutes have created a big demand for teaching fraternity, in and across the country. By the end of 2011 We have more than, 275 institutes only in Karnataka state having approval from AICTE, University and State Governments. imparting education in Management, with only qualified faculty counted in figures in the state. The teaching industry is experiencing probably the highest rate of attrition compared to any other industry in the state and country.

In addition to active recruiting during the hiring process, Managements should be vigilant to identify retention problems that may have a negative impact on faculty diversity and equal employment opportunity. A casual relook into the whole process of talent management, reveals us a few contemporary issues that arise in talent management in the context of a knowledge industry. They are, HR Policy, Hierarchy & competency, Ego, Salary, Recognition, compensation package special needs and management bias, etc.

With an **objective** to understand the various driving forces, which are resulting into faculty attrition and which one is a controllable and non-controllable factor among them. An Exploratory research methodology is adopted to assess these factors. **The scope of the study** is restricted to North Karnataka due economic and time restrictions.

The selected faculty members of the B-schools of this area are taken to be **the sample points** by adopting a judgment **sampling technique**. The responses after the interaction with these sample points are recorded through a well designed questionnaire. Descriptive statistical measures are applied to elicit the effect of the variables under study.

Keywords: Pay Package, Industry Recognition, Hr Policy, Faculty, Management Bias

1. Introduction

Today, we have a big demand for teaching fraternity, due to mushroomed growth of management institutes in and across the country. We have more than, 250 institutes only in Karnataka having approval from AICTE, University and State Governments, imparting education in Management, with only qualified faculty counted in figures in the state. The teaching industry is experiencing probably the highest rate of attrition compared to any other industry in the state and country.

Both inflow and outflow are equally interesting. When we look into the different supplements of news papers like 'Ascent' of Times of India, 'Avenues' of Deccan Herald and 'Opportunities' Of Hindu, almost about 20-30% of the job advertisements are for teaching faculty by educational institutions. In addition to active recruiting during the hiring process, Managements of Institutes should be vigilant to identify retention problems that may have a negative impact on faculty diversity and equal employment opportunity. Managements of Institutes may develop procedures for career reviews to ensure that all faculty are appointed at the appropriate rank and step consistent with their academic accomplishments. But, why all this fuss? Is it the huge demand for teachers that has been created by the overgrown no of institutes in the state or there is really a dearth of teaching faculty?. Whatever the case may be, the attrition is due to mismanagement of faculty by the Institutions. The current study, reveals us a following contemporary issues that arise in the context of faculty retention.

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2. Review of Literature

There are a number of factors which make a faculty person or an employee of an educational institution to think of quitting his her job. These factors which are found to be the most common in nature have been grouped into seven issues viz, Pay package, HR policy, career development & mentoring, Industry recognition, Management bias, Hierarchy and competency and the remaining into special needs. The review of literature concise the reasons which influence employees for relocation are briefed here below :

2.1. Pay Package & HR Policy

It is the HR policy of every educational Institution plays an important role in talent management. Employees develop a sort of understanding, faith and belief on the institute based on the provisions of the implemented HR policy. The policy should be appropriate, timely and should reflect the best practices of the Government and of those recognized institutions. The policy shall, clearly speak of salary/emoluments, leave, promotion, training, assessment, evaluation, recognition etc. The continued implementation of such a policy develops a sense of confidence and belief about the institute in the minds of the employee. In the absence of such a policy employees feel a state of insecurity and develops a complaining attitude. Then the dissatisfied employee will be trapped by the demand in the industry.

2.2. Career development & Mentoring

Campus faculty development programs may promote campus academic and educational diversity by rewarding faculty who are engaged in research focused on issues such as race, ethnicity, gender, and multiculturalism, and/or by allocating resources to faculty who have demonstrated a commitment to issues of social, educational, and economic justice as evidenced by their record of teaching and service. Mentoring is an important part of an effective campus retention program. In addition to informal mentoring, Managements may organize formal mentoring programs and conduct workshops for junior faculty to assist with the tenure process. These programs will contribute to the success of all junior faculty, but may be especially important to women and minority junior faculty who may not otherwise be a part of informal campus support networks.

2.3. Industry Recognition

Once the new faculty gets settled to the environment and teaching, he builds recognition in the industry. A good teacher is always recognized. Sometimes this recognition acts as villain. It develops a sort of superman image in the minds of the teacher. He starts, feeling everything small and ugly about the current job and institute. He/she begins offering excuses and reasons for every trivial thing. Then naturally he/she succumbs to the attraction of the simultaneously the competitor institute by falling prey to “Neighbor’s wife is beautiful” syndrome.

2.4. Management Bias

Most often, management adopts biased policies on its employees. Favoritism plays a trick. By showing disparities in facilities and perks, management errs. For instance in payment of salary, in fringe benefits, in forwarding opportunities such as training, outdoor assignments, in giving uneven designations etc. These trigger the minds of the suffered employee and he will be succumbed to the industry pull.

2.5. Hierarchy & competency

Many a times, hierarchy brings control on competency. A talented young teacher normally becomes, the victim of leg pulling by his seniors in the institute. Seniors gradually push the younger one into confrontation with the associated and tend to brand him as “ not gelling with the environment”. Then the victimized has no other option than to opt out.

2.6. Special Needs

Providing faculty with necessary flexibility to accommodate special needs will contribute to faculty productivity and retention. Managements should ensure that all deans and department chairs understand the University’s policies concerning leave and modified duties to accommodate faculty with parenting or disability related needs. Managements should make every effort to ensure that adequate childcare resources and facilities are available to faculty.

3. Objectives of the Study

The very objective of the study is to understand and enlist the various contemporary issues encircling faculty attrition/retention in the educational institutions Northern Karnataka state. Further to explore the most influential issue which, promotes the employees to go for relocation of their jobs.

- To understand the factors affecting Faculty Attrition in Educational Institutions
- To Enlist the factors affecting Faculty Relocating Decisions
- To identify the most sensitive issue which, promotes attrition?

4. Methodology

An explorative research methodology is adopted in the current study.

- A questionnaire was framed using closed ended question and with 2 & 5 point scale to collect the response of the selected sample points
- A sample of 32 faculty persons of Hubli-Dharwar and Belgaum places of North Karnataka are chosen for the study, using convenient sampling criteria.
- The data collected was then compiled and analyzed using the SPSS software. The Simple discrete statistical measures are worked out to meet out the objectives of the study.

5. Analysis

A simple questionnaire of closed ended questions was used to record the response of the sample respondents. The faculty persons who have made more than one change over in their jobs have been chosen on convenience basis and were subjected to personal interview. Out of the 32 surveyed for information, 18 were from Management faculty, 6 were from engineering and the remaining were from other streams of education. The data thus collected has been compiled and analyzed using SPSS package and the following interesting findings are made.

Table 1: The Distribution of Gender wise and faculty wise respondents

Faculty	Gender		Total	Percentage
	Male	Female		
Management	12	6	18	56.25
Engineering	5	1	6	18.75
Others	5	3	8	25
Total	22	10	32	100

The table 1., above details on the gender wise and faculty wise distribution of the respondents, who have made relocation in the recent past. Out of 32 respondents, 56 % are from Management faculty and are major relocate's observed in the industry. Out of 32 respondents, 34.37% of the persons opine that, Pay package is the major driver for attrition. The interaction with these people reflects the current, the wide variation in salary being paid to faculty persons in teaching industry. The AICTE and UGC new 6th pay scales introduction has created lot of difference between Government Aided institutions and Private institutions. Faculty in the private sector are core unsatisfied on salary and would like to shift for higher salaries has been apparent observation in the current study.

Table 2. Distribution of Gender wise and reason wise relocate's

Reasons for relocation	Gender		Total	Percentage
	Male	Female		

Pay Package	6	5	11	34.37
Career development & Mentoring	1	0	1	3.145
Management Bias	5	3	8	25
Hierarchy & competency	5	2	7	21.85
Special Needs	2	0	2	6.25
HR Policy	3	0	3	9.375
Total	22	10	32	100

Besides, pay package, Management Bias, Hierarchy & competency also have major impact on attrition of the faculty persons. This reflects the inefficient management within the organizations. Managements of the Institutions shall have to be very careful in their administration to regulate biases and Hierarchy related issues.

6. Hypothesis

Though we have 7 reasons identified for faculty relocation in this study, but not all are of common considerations for deciding to quit an organization. Out of these listed we have two reasons of most importance. One is Pay package and the other one is career advancement. The data collected also opens up an opportunity to know whether these reasons are uniform across gender and as well as faculty in which the employees are working. In the bargain we tend to test a simple hypothesis stating

6.1. Null hypothesis (H_0): “ All the attrition issues have equal influence on faculty attrition”

To test this hypothesis we use SPSS analysis given in Table-3 below and which shows that, the Chi-square statistic calculated for the collected data exceeds the chi-square tabulated value for 5 degrees of freedom with 5% level of significance and disproves the Null hypothesis. From this we can make out that, not all the reasons are equally responsible for faculty relocation decision. The issues like Pay package, Management Bias, and Hierarchy related issues are more impactful in making a person to decide for change over of their jobs.

Table 3. Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)
Pearson Chi-Square	13.929 ^a	5	.560	.629
Likelihood Ratio	5.631	5	.344	.517
Fisher's Exact Test	3.304			.750
N of Valid Cases	32			

7. Conclusion

From the current study, it is explored that, seven major issues are governing the faculty attrition in this part of the state. It may be mainly due to disparity pay packages in Government and Private institutions and to some extent due to other issues discussed above. Out of the seven major issues the pay package dominates the attrition of faculty persons. Such challenges hinder the progress of the faculty and the institutions. Therefore, it is a need of the hour for every management to, think and adopt a robust HR policy which would really give a sort of faith about the institute in the minds of the employee, so that, he should settle down in his job and perform to his utmost capacity.

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